

JS-6

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14 UNITED STATES OF AMERICA

15 UNITED STATES DISTRICT COURT
16 FOR THE CENTRAL DISTRICT OF CALIFORNIA

17 UNITED STATES OF AMERICA,

18 Plaintiff,

19 v.

20 CAI REAL PROPERTY LOCATED
21 IN RANCHO CUCAMONGA,
22 CALIFORNIA,

23 Defendant.

24 XIAO PING CAI,

25 Claimant.
26

No. CV 15-08856-CAS (JEMx)

{PROPOSED}

27 CONSENT JUDGMENT OF
28 FORFEITURE

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1 This matter was commenced on November 13, 2015 against the defendant Cai
2 Real Property Located in Rancho Cucamonga, California (the “defendant property”).

3 The Assessor’s Parcel Number for the defendant property is 1100-163-77-0-000.

4 The legal description of the defendant property is:

5 All that certain real property situated in the County of San Bernardino, State of
6 California, described as follows:

7 Parcel No. 1:

8 Unit 98 (the “Unit”) as shown and described in the amended and restated Phase 6
9 Condominium Plan (together with any amendments thereto, collectively, the
10 “Plan”), for that portion of Lot 6 of Tract No. 16882, as shown on the Subdivision
11 Map (“Map”) filed on April 7, 2007, in Book 327, at pages 56 to 59, inclusive, of
12 Tract Maps, in the Office of the San Bernardino County Recorder which Plan was
13 recorded on January 8, 2010, as Instrument No. 10-8983, in Official Records of
14 San Bernardino, California (“Official Records”).

15 Except therefrom all oil, gas, minerals and other hydrocarbon substances lying
16 below a depth of 500 feet from the surface of said property, but with no rights of
17 surface entry, as provided in deeds of record.

18 Also except the subsurface water rights, but without the right of entry to the
19 surface or the subsurface above a depth of 500 feet as dedicated on the Map of
20 said Tract.

21 Parcel No. 2:

22 An undivided one-twelfth (1/12th) fee simple interest as a tenant in common in
23 and to the common area described in the Plan.

24 Parcel No. 3:

25 Exclusive easements for the benefit of the unit appurtenant to Parcel Nos. 1 and 2
26 described above, for yard, balcony, air conditioning compressor pad and internal
27 and external telephone wiring purposes, as applicable, over those portions of the
28 association property shown in the Plan or as described in the Declaration and the

1 Notice.

2 Parcel No. 4:

3 Nonexclusive easements for access, drainage, encroachment, maintenance, repair,
4 and for other purposes, all as may be shown on the Plan and the Map, and as
5 described in the Declaration and the Notice.

6 Claimant Xiao Ping Cai (“Cai”) filed a claim on February 3, 2016, and an answer
7 on March 7, 2016. No other parties have filed claims in this case and the time for filing
8 claims of interest and answers has expired.

9 On or about July 3, 2014, a Deed of Trust in the amount of \$200,000.00 was
10 recorded as Instrument No. 2014-0240974 against the Cai Property, identifying Pacific
11 Coast Title Company as Trustee and Dennis Wu, Kenny Lau and Lijia Wu as tenants in
12 common (Beneficiary).¹

13 On December 14, 2015, Plaintiff and Pacific Coast Title Company, Dennis Wu,
14 Kenny Lau and Lijia Sun (collectively referred to as the “Lender”), through their
15 respective undersigned counsel and authorized representative entered into a Stipulation
16 Recognizing Lien of Lender (Docket 13).

17 Plaintiff United States of America, Cai and Lender have reached an agreement
18 that is dispositive of the action. Each of the signatories to this Consent Judgment of
19 Forfeiture (“Consent Judgment”) represents that he or she has the full power and
20 authority (without further approvals or consents) to enter into this Consent Judgment and
21 perform the obligations set forth herein. This Consent Judgment may be signed in
22 counterparts and shall be deemed to have been equally drafted by the parties hereto.

23 Cai and Lender waive all appeal rights with respect to this matter. If Cai or
24 Lender submitted petitions for remission to the defendant property in any proceedings,
25 they hereby stipulate to withdraw the petitions, and waive any rights they may have to
26 seek remission or mitigation of the forfeiture described herein.

27 ¹ Upon information from Lijia Sun’s counsel, Lijia Sun is the correct name of the
28 beneficiary that was erroneously referred to as Lijia Wu in the deed of trust.

1 The parties hereby request that the Court enter this Consent Judgment of
2 Forfeiture.

3 WHEREFORE, IT IS ORDERED, ADJUDGED AND DECREED:

4 1. This Court has jurisdiction over the parties and the subject matter of this
5 action.

6 2. Notice of this action has been given in accordance with law. All potential
7 claimants to the defendant property, other than Cai, are deemed to have admitted the
8 allegations of the Complaint. The allegations set out in the Complaint are sufficient to
9 establish a basis for forfeiture.

10 3. The United States of America shall have judgment as to the defendant
11 property, and no other person or entity shall have any right, title or interest therein. The
12 Internal Revenue Service is ordered to dispose of said property in accordance with law.

13 4. Upon entry of this Judgment of Forfeiture and sale of the defendant property,
14 the funds generated by the sale shall be distributed in the following order of priority:

15 a. First, to the Internal Revenue Service for its costs and expenses of the
16 sale;

17 b. Second, to the extent sufficient sale funds are available, to pay any real
18 property taxes assessed against the defendant property to the date of entry of the Judgment
19 of Forfeiture;

20 c. Third, to the extent sufficient sale funds are available, the balance
21 due on the \$200,000.00 lien, including principal, interest, and late charges due on that
22 amount to lienholders;

23 d. Fourth, to the extent sufficient sale funds are available, reasonable
24 costs and attorney's fees up to \$5,000 incurred by lienholder in having to defend its
25 security interests in the defendant property;

26 e. Fifth, to the extent sufficient sale funds are available, \$72,000 to
27 Plaintiff pursuant to the terms of this Judgment of Forfeiture; and

28 f. Sixth, any remaining funds to be paid to claimant Cai.

1 5. The parties shall execute further documents, to the extent necessary, to
2 convey clear title to the defendant property to Plaintiff and to further implement the
3 terms of this Judgment of Forfeiture.

4 6. The Court will retain jurisdiction to resolve any issues with respect to the
5 parties' performance under this Judgment of Forfeiture.

6 7. Other than as set forth in paragraph 4(d) of this Judgment of Forfeiture, each
7 party shall bear its own attorney fees and costs. This Judgment of Forfeiture is binding
8 upon Cai and Lender and their successors and assigns.

9 8. Cai and Lender have released and agreed to hold harmless the United States,
10 its agencies, agents, officers, employees and representatives, including, without limitation,
11 all agents, officers, employees and representatives of the Internal Revenue Service, as well
12 as all agents, officers, employees and representatives of any state or local government or
13 law enforcement agency involved in the investigation of this matter, from any and all
14 claims, including claims for interest, actions or causes of action, damages, expenses, and
15 costs, known and unknown, which may hereafter be asserted or brought by or on behalf of
16 Cai or Lender, arising out of the seizure and/or forfeiture of the defendant property and the
17 institution of this matter.

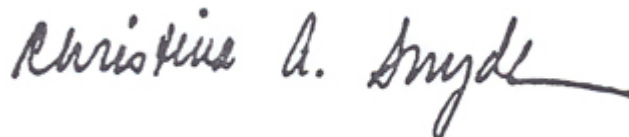
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9. The Court finds that there was reasonable cause for the institution of these proceedings. This judgment shall be construed as a certificate of reasonable cause pursuant to 28 U.S.C. § 2465.

IT IS SO ORDERED.

June 17, 2016

DATE



HONORABLE CHRISTINA A. SNYDER
UNITED STATES DISTRICT JUDGE

Approved as to Form and Content:

DATED: June 16, 2016

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STEVEN R. WELK
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Chief, Asset Forfeiture Section

/s/ Katharine Schonbachler

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Assistant United States Attorney

Attorneys for Plaintiff
United States of America

DATED: June 16, 2016

SHERMAN AND SHERMAN PLC

/s/ Victor Sherman

VICTOR SHERMAN, ESQ.

Attorneys for Claimant
XIAO PING CAI

DATED: June 13, 2016

/s/ Xiao Ping Cai

XIAO PING CAI
Claimant

SIGNATURE OF PARTIES CONTINUE ON NEXT PAGE

Approved as to Form and Content:

DATED: June 13, 2016

DUANE MORRIS, LLP

/s/ Cyndie M. Chang
CYNDIE M. CHANG, ESQ.
BARBARA HOWE MURRAY, ESQ.

Attorneys for DENNIS WU,
KENNY LAU and LIJIA SUN

DATED: June 13, 2016

PACIFIC COAST TITLE COMPANY

/s/ Chris Bolger
CHRIS BOLGER

Executive Vice President and
Authorized Representative of
PACIFIC COAST TITLE COMPANY